



State of Low-Code Report 2022: Retail

Market research firm [Reputation Leaders](#) conducted a survey in July 2022, commissioned by [Mendix](#), a Siemens business and global leader in low-code application development for the enterprise, to ascertain the state of low-code use in four verticals including financial services and insurance, manufacturing, public sector, and retail. The respondents included senior business leaders who make software and app purchasing decisions.

The retail sector is unique because it was so hard-hit by the pandemic that it needed to become digital virtually overnight. Low-code was the go-to tool for adapting to the whipsaw changes occurring in the macroeconomic environment.

Today's retailers must deliver "unified retail commerce," which provides a frictionless and consistent experience across all customer channels. Retailers also need the ability to integrate with new tools, such as AI and the Internet of Things, so they can take advantage of computer vision, smart shelves, etc.

Low-code enables digital transformation

Low-code is increasingly viewed as a digital transformation enabler because it can be used on the backend to improve internal efficiencies, and on the frontend to quickly deliver better customer experiences. The need to do both is essential in the retail sector since internal operations and supply chain issues impact customers and profitability.

Retailers are now trying to accelerate software development even further so they can accomplish more with fewer resources and simultaneously reduce costs. They realize that, while customer experience is a top priority, they must also connect and share data with supply chain partners. Inventory management has become an acute issue as the result of labor shortages, geopolitical factors, materials shortages, and rising customer expectations.

Low-code priorities are evolving

During 2020 and 2021, retailers used low-code primarily to create innovative solutions that addressed COVID-19 lockdown restrictions. Those digital experiences are now being optimized as part of a hybrid multimodal experience that continues to evolve.

In 2022, nearly 90% of retailers are democratizing the use of low-code so managers can create their own solutions to challenges, albeit in a governed and secure way. They also hope to enable accurate, real-time inventory management to reduce customer inquiries and frustration, as well as to preserve margins.

Essentially, low-code has evolved from a crisis management technology during the pandemic to a core business technology in 2022 and beyond.

Key Findings

Top 3 low-code benefits

- Increased cross-organizational collaboration (44%)
- Customer service (43%)
- Customer data synchronization (43%)

Top 3 hybrid retail challenges

- Safety and security (37%)
- Organizational complexity (36%)
- Lack of knowledge/skilled staff (32%)

Top 3 growth areas

- Hybrid retail (53%)
- Digital shopping pickup options (50%)
- Customer service (50%)

Top 3 customer frustrations

- Inconsistent pricing across modalities (32%)
- Digital pickup options (32%)
- Systems saying different things (28%)

Other findings

- Staff can build their own solutions (88%)
- Need better supplier integration (53%)